

**Maricopa Community Colleges**  
**Performance Based Funding Model Proposal**  
**October 2013**

The Maricopa Community Colleges are the largest higher education provider in the State, the largest provider of workforce training and the largest source of transfer students to our public universities. The goal of Performance Funding for the Maricopa Community Colleges is to provide predictable and reliable funding from the State to promote innovation and improvements in institutional performance to improve student outcomes and success, resulting in more well-educated and trained communities throughout the State and a vibrant economy.

**General Elements of the Proposed Model**

- 3 Year Pilot with annual reviews to correct technical issues
- Evaluation after Year 3 (in year 4) and new or finalized model put in effect in Year 5
- All performance funds are new funds from the state
- Increased funding is requested in each of the three years, with the metrics for the current period determining allocations of the new increase in performance funding in that year
- Constant funding in Year 4 while the model is evaluated
- Additional new funding in Year 5
- Existing funding models for Maintenance and Operations (M&O), STEM/Capital and Equalization continue to be funded
- Begin funding no earlier than FY15-16 (i.e. put a learning year in place), to allow for more data collection and testing of the model as well as time to further implement strategies to improve student success and address other funding needs

**The Model**

- Performance is based on 6 core metrics from the Arizona Community College President's Council Strategic Vision 2020:
  - 1) Degree/Certificate Completion (Graduation) Rate;
  - 2) Fall-to-Fall Retention Rate;
  - 3) Course Success Rate (Developmental Courses and College Level Courses);
  - 4) Success After Remediation (Success After Developmental Math and Success After English/Reading);
  - 5) Percent of Learners Achieving a Successful Community College Outcome
- 0, 10 or 20 points may be earned for both attainment and improvement (year to year progress) for each metric
- Points are based on placement within tercile bands, which reflect the metrics of the districts
- Weighting Factors:
  - The percentage share of FTSE (or the assumed FTSE share based on no less than 5,000 FTSE, whichever is greater) of each college is applied to the each colleges's share performance metric total to account for the large differences in enrollment.
  - Percentage share of credit offerings in developmental education to total credits at each college to account for relatively greater number of students who may be at risk

- An additional weighting for the three youngest and less developed colleges (Chandler Gilbert, Paradise Valley and Estrella Mountain) which have relatively less resources to build programs to improve student success
- The percentage share of this new total for each college is applied to the new State funds available each year